

**GOVERNMENT OF INDIA
SHIPPING
LOK SABHA**

UNSTARRED QUESTION NO:800
ANSWERED ON:06.03.2002
INLAND VESSEL BUILDING SUBSIDY SCHEME
SURESH RAMRAO JADHAV (PATIL)

Will the Minister of SHIPPING be pleased to state:

- (a) whether Government have decided to introduce a new Inland Vessel Building Subsidy Scheme (IVBSS);
- (b) if so, the details thereof; and
- (c) time by which the scheme is likely to come into effect?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD Y. NAIK)

(a) Yes, Sir.

(b)&(c) With an aim to reduce capital burden on prospective IWT entrepreneurs, thereby enhancing their profitability and making IWT tariff competitive, an Inland Vessel Building Subsidy Scheme has recently been approved by the Government. The scheme will come into effect from 1.4.2002 and remain in force for a period of 5 years. The Inland Vessel Building Subsidy Scheme would be applicable to both cargo & passenger inland vessels meant for operation on National Waterways. The subsidy will be available only for vessels acquired by an Indian inland water transport entrepreneur from a shipyard in India. The subsidy payable under this scheme would be equal to 30% of the ex-factory price of the inland vessel.